Losses to Banks Involved in Security Scam

3731. SHRI K. RAHMAN KHAN: Will the Minister of FINANCE be pleased to state:

(a) what is total loss to the Banks and their subsidiaries from the transactions involved in security scam and whether full provision has been made for this loss;

(b) what is the amount expected to be realised, which is supported by collectoral securities and what action has been taken to realise the amount; and

(c) the details of the banks, Chairman, Chief Executives and other senior officials prosecuted bank-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) The Janakiraman Committee had identified the total problem exposure of the banks, bank subsidiaries and financial institutions in irregularities in securities transactions at Rs. 4024 crores. These banks and financial institutions have filed claims among themselves and in some cases claims have also been filed with the Custodian. Besides these, there are also certain cases pending in Courts. In view of these, the exact and actual losses that may be incurred by each bank can be determined only after all the claims and suits have been settled. While some of the banks have made provisions towards likely losses on the securities transactions others have yet to make the provisions as they are awaiting the outcome of the pending claims.

(b) RBI have reported that the individual banks are taking action for recovery by filing claims in the Special Court. The information relating to amount expected to be realised from collectoral securities is not readily available.

(c) Information so far furnished by Central Bureau of Investigation is given in the enclosed Statement.

Statement

(Data provisional)

Name of the Bank	Name & Designation of the Bank Officer Prosecuted
1	2
1. State Bank of India	R. Sitaraman, JMG-I Officer, SBI Main Branch, Bombay.
2. S.B.I. Capital Markets Ltd.	Ashok Aggarwal, the then Chief Manager, SBI Capital Markets Ltd., Bombay (on deputation from SBI)
	Janardan Bandyopadhyay, AGM, SBI Capital Market Ltd., Bombay.
3. UCO Bank	1. K. Margabanthu, Chairman & Managing Director, UCO Bank, Calcutta.
	2. R. Venkatkrishna, GM, UCO Bank, Calcutta.
	3. M. V. Shindaye, AM, UCO Bank, Nariman Point, Bombay.
	4. S. V. Ramanathan, the then Divisional Manager, UCO Bank, Bombay.
	5. V.N. Deosthali, the then scale-I Officer
4. Metropolitan Coop. Bank,Bombay.	K.K. Kapadia, Vice Chairman, Metropolitan Coop. Bank Ltd., Bombay.
	M.S. Kushte, Accountant, Metropolitan Coop. Bank Ltd., Bombay.
5. Can Bank Mutual Fund, Bombay.	Anil Narichania, AGM, Can Bank Mutual Fund, Bombay.

1	2
6. Canfina, Bangalore.	M.K. Ashok Kumar, Exec. Vice President, Canfina, Bangalore.
	S. Mohan, Asstt. Vice President, Canfina, Bangalore.
7. State Bank of Saurashtra	M.S. Srinivasan, Manager (Funds), State Bank of Saurashtra, Bombay.
8. National Housing Bank	Ravi Kumar, Officer, NHB, Bombay. S. Suresh Babu, AM, NHB, Bombay. P.K. Parthasarthy, Formerly Executive Director, NHB, Bombay.
9. Bank of Karad Ltd. Bombay	Sudhakar Ali, Clerk, BKL, Bombay Chandra Sekhar Sitaram Raje, Agent, Bank of Karad Ltd., Bombay.
10. Andhra Bank Financial Services Ltd.	Y. Sundara Babu, MD, ABFSL, Hyderabad. R. Kalyanraman, Sr. Vice President, ABFSL, Bombay. Tharian Chacko, Asstt. Vice President, ABFSL, Bangalore.
11. ANZ Grindlays Bank	1. Gur Lal Vig, Manager, ANZ Grindlays Bank, Sansad Marg, New Delhi. 2. R.N. Popli, Officer, ANZ Grindlays Bank, Sansad Marg, New Delhi. 3. K. K. Kuda, Officer, ANZ Grindlays Bank, Sansad Marg, New Delhi. 4. Mrs. Mohana Subramaniam, Asstt. Manager, ANZ Grindlays Bank, Bombay. 5. Miss Jeroo Dalal, Officer, ANZ Grindlays Bank, Bombay.

Foreign issues of M/s. Reliance India Limited

3732. MAULANA OBAIDULLAH KHAN AZMI: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn towards the press reports which appeared in the Indian Express of 30th July, 1994 to the effect that the Consumers chancery, a consumer organisation has sent a representation to Government against the foreign issues of M/s Reliance Indians Limited to the effect that they are not conforming to the regulations and laws, and would go against the share holders;

(b) if so, what are the details thereof and [illegible]

(c) whether it is also a fact that the above company has also not been conforming to the rules and regulations for domestic issues; and

(d) if so, what are the details thereof for the last three years, indicating issue of shares offered by M/s. Reliance India Limited, the amount collected by the company and acutal allotments made by it and whether they conformed to the norms prescribed in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) and (b) Yes Sir, the news item referred to does not however contain any mention about the foreign issues of M/s. Reliance Industries Ltd.

(c) and (d) Information is being collected and [illegible] the Table of the House.